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Freethinking Investment Strategies

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[Collapse at Hand](#)

[What's Next: Collapse or Prestige?](#)

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Collapse at Hand

Dear Guest

"The small percentage of Americans who are aware and informed are puzzled why the bankers have escaped with their financial crimes without prosecution. The answer might be that the banks "too big to fail" are adjuncts of Washington and the Federal Reserve in maintaining the stability of the dollar and Treasury bond markets in the face of an untenable Fed policy."

- Paul Craig Roberts
(1939 –)
US Assistant Secretary of the Treasury for Economic Policy under President Reagan ('81-'82)
The above quote is from an excellent recent article of his, [Collapse At Hand](#), available [here](#).

"Those who stand for nothing will fall for anything"

- Alexander Hamilton
(1755 – 1804)
1st US Secretary of the Treasury



It's getting pretty unreal out there... Maintaining the delusion is becoming a full time all encompassing occupation by the promoters and benefactors of the status quo. So much so, in fact, that the deceit is now becoming so obvious that it is getting harder and harder to believe!

Here's another great lie covered by massive media misinformation and political deception endangering the survival of our specie: the inflammatory statement that Israel should be "wiped off

the map" which is attributed to Iranian President Mahmoud Ahmadinejad. He never said that! [Look for yourself](#) and stand for the truth or you will fall for anything.

I mention that lie in passing not to disturb my dear readers, but to emphasise how deep and broad the deception goes. The deception aims to portray Iran as a threat to Israel's security, thereby justifying the formulation of a pre-emptive nuclear attack against the Islamic Republic. That act would be completely insane! Yet, here we are: [now only a few months](#) to go before it may actually happen...

Paul Craig Roberts has written a formidable article on the collapse at hand and, considering whom he is, everyone should read it. Here are his opening paragraphs (and if that does not stir your interest to read the rest, I don't know what could...):

Ever since the beginning of the financial crisis and quantitative easing, the question has been before us: How can the Federal Reserve maintain zero interest rates for banks and negative real interest rates for savers and bond holders when the US government is adding \$1.5 trillion to the national debt every year via its budget deficits? Not long ago the Fed announced that it was going to continue this policy for another 2 or 3 years. Indeed, the Fed is locked into the policy. Without the artificially low interest rates, the debt service on the national debt would be so large that it would raise questions about the US Treasury's credit rating and the viability of the dollar, and the trillions of dollars in Interest Rate Swaps and other derivatives would come unglued.

In other words, financial deregulation leading to Wall Street's gambles, the US government's decision to bail out the banks and to keep them afloat, and the Federal Reserve's zero interest rate policy have put the economic future of the US and its currency in an untenable and dangerous position. It will not be possible to continue to flood the bond markets with \$1.5 trillion in new issues each year when the interest rate on the bonds is less than the rate of inflation. Everyone who purchases a Treasury bond is purchasing a depreciating asset. Moreover, the capital risk of investing in Treasuries is very high. The low interest rate means that the price paid for the bond is very high. A rise in interest rates, which must come sooner or later, will collapse the price of the bonds and inflict capital losses on bond holders, both domestic and foreign.

The question is: when is sooner or later? The purpose of this article is to examine that question.

He certainly does not mince his words when he criticizes the mainstream media either! He even uses Gerald Celente's word for the majority of those who pass for news reporters these days: 'presstitutes'... He writes about the increasingly obvious and virtually undeniable collusion that now permeates everything between Washington, the Fed, and Wall Street.

He also explains very clearly why the US banking sector has a strong interest in preserving the status quo, even if it means financial repression for you and me. In his explanation, he makes reference to charts presented and explained in another article (this one by Jim Willie, which you can find [here](#)) about the hidden role of the vast over-burdened Interest Rate Swap contracts that act like giant buttresses to support the ever growing and now teetering Tower of Babel of US Treasuries.

We all know about the Fed's 'Quantitative Easing' (i.e. money printing or debt monetisation) tool, which is the visible piece of the Grand Deception. But that alone is not sufficient to explain how it is made possible for the US Treasury Bond market to continue with 0% or close to 0% interest rates when the additional supply of new debt is an annual flood of US\$1.5 trillion AND the demand for that debt is quickly vanishing from the absent foreign creditors.

The missing piece of the puzzle is NOT savers and investors seeking refuge in the safety of US Treasuries, as the presstitutes would have you believe. No, the hidden tool – to maintain ZIRP (zero or 0% interest rate policy) until at least the end of 2014 (as announced by the Fed) – is the

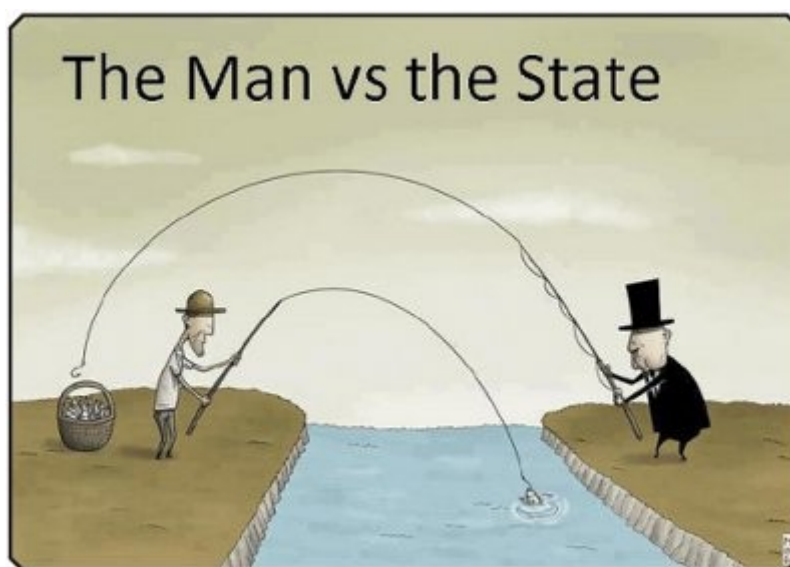
unregulated **Interest Rate Swap** derivatives market.

You simply have to read the articles to understand how it all works. If you did not already know about this despicable financial engineering that is going on, it should/will change your mind about the presumed 'risk-free' status of US (and other states') sovereign debt securities. But, will it change investment advisers' and/or investment managers' and/or investment product manufacturers' asset allocation strategies?

That's a great question, Louis! It's an important question, because today most individuals do not make their own investment decisions but rely on one or the other group of investment 'experts'. Moreover, it is usually the case in my experience that individuals have very little if any money left that is 'available' for investing or saving in a manner of the individual's own choosing. Most of it is already 'committed' either to service debt or to go into either private or public schemes where those decisions are already made.

Enough is enough. It's time to reassert our individual sovereignty before it's too late. Take responsibility for your own financial security!

[Who Is Truly Sovereign: the State? or the Individual?](#)



Economics as taught in universities and economic thought as it prevails in practice is, well, divorced from reality! In fact, here's the thing that had always baffled me about economics before I discovered the school of thought called Austrian economics: a separation is made between the study of decisions made at the individual level (microeconomics) and at the level of the sum total of all those decisions (macroeconomics).

The result of this separation has led, in my view, to an artificial construct of reality and the futile attempt at quantifying human action in aggregate. Overlooking the link between individual decision making and society's as a whole may have made the social science easier to teach and practice, but it has not served us well. It is high time that we give up believing in false and debilitating measures of human action.

By focusing on aggregate measures for economic growth (i.e. GDP), inflation (i.e. CPI) and other things like unemployment, we delude ourselves in believing that we can divorce the sovereignty of individuals from the total outcome of a nation-state's economy. This gives economists the pretence of arguing in favour of one policy over another, simply on the basis of aggregate measures such as gross domestic product, the consumer price index and the unemployment rate.

Politicians then end up believing they can affect human interaction!

The prevailing financial disorder today is directly attributable to governments and central bankers having relied on convenient yet over simplistic economic assumptions and equations. Such models could never fully account for the complex processes at work at the individual level in the actual formation of prices. The result is there for all to see.

Now that we are in over our heads in inordinacy, it is time individuals reassert their sovereignty and become less dependent or reliable on the nation-state. This is actually already happening in very tangible ways, which is very positive. For example, Americans are now renouncing their US citizenship in record numbers. The driver there, of course, is financial repression. Elsewhere, austerity measures are having a similar effect.

Sovereign states should not have to 'manage' their economy, nor should the economic wellbeing of individuals in any society be judged on aggregate measures of production and consumption that are disconnected from the actual process of price formation. Money also should cease to be managed by the state or by central control. Only then will we have coordination, order and progress.

Sovereign individuals are the future. The money of choice of sovereign individuals is not fiat money, but money whose value is independent of statutory diktat. History shows that anything else leads to totalitarianism, sooner or later. Aggregate measures of economic activity are meaningless without a sound unit of account. Worse still, such measures can then be (and are) used as weapons of mass deception.

"Don't believe them, don't fear them, and don't ask anything of them."

- Alexander Isayevich Solzhenitsyn
(1918 – 2008)

Russian writer, who, through his often-suppressed writings, helped to raise global awareness

"We believe that much can be learned by analogy between the situation at the end of the fifteenth century, when life had become thoroughly saturated by organized religion, and the situation today, when the world has become saturated with politics. The costs of supporting institutionalized religion at the end of the fifteenth century had reached a historic extreme, much as the costs of supporting government have reached a senile extreme today."

Source: [The Sovereign Individual](#), by James Dale Davidson & Lord William Rees-Mogg, 1997

Please note that all past issues of *Prosper!* are available [Here](#) for your convenience.

What's Next: Collapse or Prestige?

"Every day the prophets ask themselves whether currency convertibility is to occur soon or in the distant future. Everyone knows that this expression "currency

convertibility" is a pleasant euphemism to translate those three little words "a return to gold", these last having been banished from the language of the Anglo-Saxons as being in supremely bad taste, as they remind one much too vividly of the unseemly conduct of the yellow metal during the crisis of 1931."

Source: The Triumph of Gold, by Charles Rist, translated from the French, 1954, p220

Time is a funny thing. We say that what goes around comes around. Yet, we still think of time in linear terms. Can't we make up our mind: is time linear or circular? Well... it would appear to be both! Or maybe it's just too complex to fit one shape or another. Does it matter?

It matters if we want to better understand what is going on now with our failing global monetary system. After all, we've been here before! Fiat money has died before. In fact, in all of recorded human history, not once has fiat money survived. This time however, all currencies in the world are fiat money. So we've pushed the experiment to its limit. But the end result will inevitably be the same. The triumph of gold over fiat abuse is only a question of time.

But still too few of us recognise this. As a result, all our warnings have been like whistling in the wind. However, it seems as if all these past murmurs from friends of the gold standard about the role of gold are now finally starting to have an effect.

Critical Thresholds & Complexity Theory

Indeed, something seems to have changed recently. People are suddenly starting to be more open to the idea (as if it was only an idea...) that maybe, just maybe, gold does matter. What comes to mind is the concept of critical thresholds in complexity theory. What also comes to mind here is a phenomenon called murmuration, as in a large flock of starlings that all turn at the same instant. The birds all turn in the sky at the same instant without any apparent communication!

We don't know how they do that. It seems to be some kind of collective cognitive processing beyond our understanding. James Dines, the original gold bug, suggested earlier this year that a great human murmuration was now underway, vibrating like a bass chord through bodies politic all over the world... Hey, maybe that's what Bob Dylan was trying to tell us when he wrote "the answer my friend is blowin' in the wind"...

What does it all mean? It means we are approaching a critical threshold for gold awareness. James Rickards explains in his book, **Currency Wars** (pp212-216), how complexity theory works and how a small loss of faith in something fundamental to the survival of the existing system, for whatever reason, can potentially lead to a complete collapse of confidence. He uses faith in the US dollar as an example.

Each individual will have a different tipping point, he explains, or 'critical threshold' on how many other people will need to have already lost confidence in the dollar before he or she also decides to lose confidence. Rickards likens this critical threshold phenomenon to asking how many people must run from a crowded theatre before the next person decides to run. Some will run out at the first sign of trouble; others will not move until many have started to run; and so on, until the last.

Of course, he may just as well have taken the Fed or the Euro to make the same point. In fact, I think that it does not matter what one uses, the existing system left to its own is already beyond saving. But, rather than letting it come to its inevitable collapse, maybe the avalanche of capital destruction can be prevented with the arrival of an idea whose time has come again: the gold standard.

The key then, based on complexity theory, is for me and other believers in sound money to lower certain other people's critical threshold for the repudiation of fiat only money. In other words, we need to bridge the gap between the very small minority of individuals who believe that a return to the gold standard is a good idea and the wider community. But, as was elegantly explained in Rickards' book, it does not mean we need to convince a whole lot of people; maybe even only one

small group of people!

Here's how it works. Suppose the world's population can be divided based on people's individual critical thresholds, called T. Here T would represent the number of other people who must lose confidence in fiat money before that individual also loses confidence. In other words, T is the tipping point when one runs to gold, based on how many others already have. Everyone has a different point, but these can be grouped to show the potential *influence one group can have on the next*.

Let's say there are 1,000 people in the world with the lowest critical threshold for the repudiation of fiat money and that threshold for them is 100 people or $T=100$. Since there are at least 100 readers of this e-letter that must have already repudiated fiat money, clearly then all of those 1,000 people in the world in the first group would then also have rejected fiat money in favour of a return to sound money or the gold standard. But what is the critical threshold of the next group?

That's the great unknown, of course. But let's not get too discouraged yet. Let us suppose that the next group is made up of 1,000,000 people that share a T of 100,000. In other words, once 100,000 people in the world will have repudiated fiat money, there would then be one million of us wanting a return to sound money or the gold standard. But how do we go from, say, just 100 or 1,000 now to 100,000 people who 'get it'? That's quite a gap of ignorance to bridge...

For the sake of simplicity, we could argue that the rest of the world has even much higher critical thresholds than these first two groups, such that it could be classified into two further groups where the next 1,000,000,000 (one billion) would have a T of 100 million people and the rest of the world (the other six billion or so) a T of 1,000,000,000. Now, here's where this criticality thing gets really interesting. Pay attention!

We are, it seems, at the edge of chaos. According to science, this is where the degree of complexity is maximal. But this is also a point of emergence, when whole new behaviours can emerge. So, as I see it, it is my duty to educate relentlessly about the need for a return to sound money until the 'T' of the next group after us drops from 100,000 to just 10,000 or less. Hey, that's less than one hundred people for each one of us to work on... so, let's get busy!

Once that tipping point is reached, the whole world will then suddenly 'get it' and it'll be like 1931 all over again (re quote above), except that this time... it'll be a run on all fiat money, not just the pound. But, in essence, it'll once again simply be a run to gold!



[We May Still Have a Collapse](#)

A collapse of some sort is probably inevitable at this point in time, given the endless deferment of responsible action over the past five years or so now by the authorities in charge of our failing global monetary system. Hopefully, you are now prepared for that. After all, I've been warning about the collapse of fiat money for nearly six years now. When it comes, it will be sudden. Assets and liabilities will need to be reset, based on the new monetary standard.

Chaos may well prevail for some time as the world readjusts to the new reality. Who knows how this will all play out?!... One thing seems increasingly certain though: hard times ahead for the unprepared.

Not to be dismissed or taken lightly, are the current thoughts of one man who foresaw the return of gold years ago: [Frank Veneroso](#). Here are some of his recent reflections (with thanks to Bill Murphy, Le Patron of LeMetropoleCafe.com):

The societal pressures for helicopter money operations in China, Europe, Japan, and the U.S. lend lustre to gold as a monetary asset.

If the ECB – one of the two most important central banks in the world – caves to societal pressures to adopt extraordinary measures to deal with the euro crisis, it will be a positive for gold.

Should the ECB, caught in the crossfire of a bank run across Europe, become institutionally crippled, it will be all the more positive for gold.

Some of this will almost surely happen.

In addition, after a shake out of hedge fund longs that came to dominate the gold market, physical demands by households in China and Japan and by central banks are providing the impetus for a new leg up in the gold bull market.

Now, compare that with the recent thoughts of Warren Buffet on gold... By associating buyers of gold bullion today to the buyers of tulip bulbs during the famous [Tulip mania](#) of the 17th century, Warren Buffet has carved himself a place of honour among the great deceivers of our time. I'm referring of course to an [article](#) he wrote and was published in *Fortune* magazine in February. The timing of it, alone, deserved my attention.

My purpose here is not to criticize his arguments, as [others](#) have already done this admirably well. Instead, I intend to demonstrate how this was a perfect example of the ongoing bullshit that gets dished out endlessly to us when it comes to bullion. That Mr Buffett is a person of great influence and enjoys the admiration and trust of many in the world of investments should not go unnoticed either...

Keeping gold outside the monetary system has involved a whole program of deception over many years and this, of course, continues in earnest as currency wars escalate globally. But the deception must now also intensify with respect to private ownership of bullion. Think of it as another theatre of operations aimed at sustaining the delusion of fiat money and the belief that gold has no role to play, with Mr Buffett leading the attack.

At stake here is no less than the full faith and credit of sovereign governments who issue the fiat currencies of the world, particularly that of the US government. After all, the US dollar and US Treasury securities still represent the foundations of the existing global monetary and financial system. This fast failing system's status quo survival depends on those foundations remaining firmly in place.

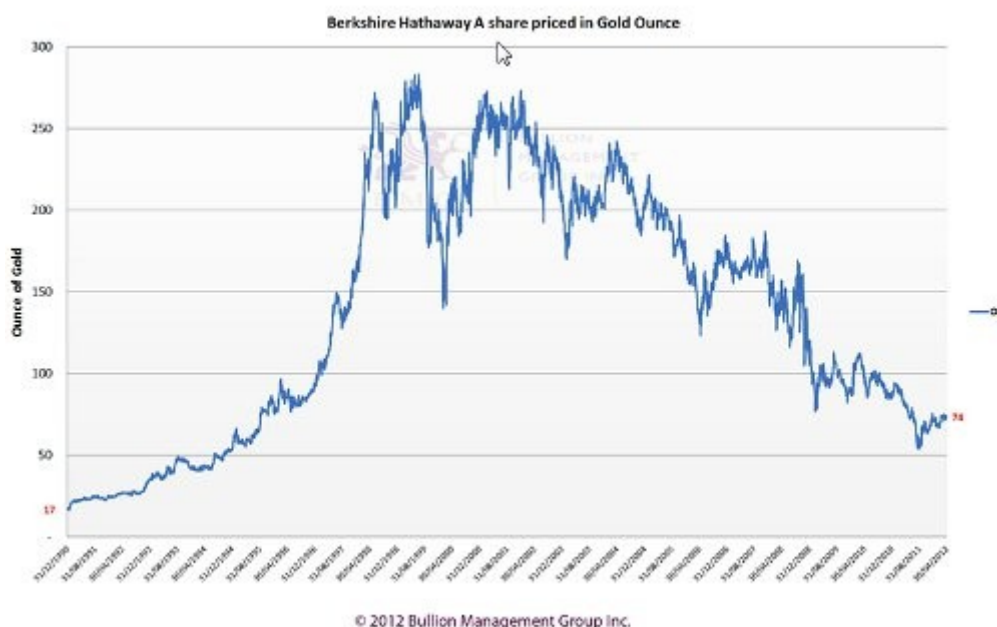
Now, when it comes to gold...whether or not Mr Buffet knows gold is money is a moot point. He certainly had the opportunity to be made well aware of it: his [father](#), after all, was a strong advocate of a return to gold redeemable money. What does matter, however, is that you not be deceived by what I consider to be a blatant abuse of public trust and that you see through the deception in his arguments against gold ownership.

Exactly what Mr Buffett's purpose is in ridiculing gold hoarders is unknown. But he should stick to what he is good at: investing. **Saving money is not investing.** It may not be pleasant for him to see that gold hoarding has become more rewarding (as a means of increasing one's purchasing power) than investing. It is indeed not productive for that to be the case, for the time being. But that is the inevitable consequence of forty years of fiat abuse!

Warren Buffet once said: "Price is what you pay; value is what you get." True. But when prices can be engineered as they indeed are today with massive interventions by central banks and others, what you pay is not always what it costs or is worth. Also, value may well be what you get, but since value is subjective we are back to square one: the *utility* of the good or service so obtained. Remembering that there are no prices unless there is money is also useful. It takes us back to the utility of the money itself being used to transact.

'Money' today, as far as its value is concerned, is based on government fiat, which is itself a highly elastic measure (and, arguably, with an irresistible bias on the side of falling short). So it could be argued to be prudent, to say the least, to measure prices not only in legal tender units but also in gold units. This provides the sovereign individual with an alternate measure of price, or standard of value, using gold as money.

So let us use an ounce of gold as a monetary unit in lieu of the Federal Reserve Note (also known as the US dollar) and see how well the Berkshire Hathaway A share price has performed over the past twenty or so years:



Hummm... a mixed experience for a share holder, it seems. The purchasing power of an A share did increase exponentially, from being equivalent to that of 17 ounces of gold at the end of 1990 to nearly 172 ounces of gold nine years later! That is no doubt why Warren Buffet is known and deserves to be recognised as an amazing investor. But what happened next cannot and should not be overlooked either...

The purchasing power of the US dollar began to drop relative to that of gold and this has continued to be the case for twelve years now. So, despite being an excellent investor, Buffet's Berkshire Hathaway's A share price is still intimately dependent on the status quo or how well the existing system performs. As the chart clearly shows, using that alternate measure of price or standard of value – gold, *investors* who own such shares have been losing a lot of purchasing power relative to savers who are hoarding gold...

In fact, the purchasing power of Berkshire Hathaway A shares is back to where it was in the mid 1990s! Some investment, eh?!... Do you think this may be why Mr Buffet and his mate, Charlie Munger, are so annoyed with the increasing attention the monetary metal is getting by savers everywhere? Hummm...

It's the same phenomenon for many other prized assets of people. Take house prices for example:



For some perspective on the magnitude of the decline in prices, the chart above presents the median single-family US home price divided by the price of one ounce of gold. This results in the home / gold ratio or the cost of a median single-family home in ounces of gold. For example, it currently takes a relatively low 105 ounces of gold to buy the median single-family home in the US.

This is dramatically less than the 601 ounces it took back in 2001 to buy essentially the same good. So, when priced in gold, the median single-family home in the US is down over 80% from its 2001 peak and remains well within the confines of a six-year accelerated downtrend shown by the green and red lines in the chart.

But what I find most interesting in the above chart is that the much reduced 'price' (when measured in gold ounces) of such a home today is not out of sync with what it was in the late 1970s, but it sure is a lot less than it was in the mid 1990s! So, I guess one can at least safely say that investing in Berkshire Hathaway has still been better than investing in housing for the average American...

OK, but where am I heading with all this, you might ask? Well... I think there is a chance that we could be about to witness the greatest magic trick that has ever been pulled over our consciousness. Huh? What do I mean, a 'magic trick'? I mean that we may be about to come out of the spell of fiat money we've been under, as if we'd been wandering aimlessly in a desert of sorts for forty years. The master illusionists of money production may just snap their fingers and we shall see a new golden age begin!

[Are We About to See A Prestige with Money?](#)

Have you seen the film 'The Prestige'? If not, I highly recommend it to you. In it, we are told that a good magic trick consists of three stages: the pledge, the turn and then, the prestige. The pledge is when the magician declares what he will accomplish as a magic trick; for example, turn

someone into a bird. The turn is when this (or the illusion of this) is actually accomplished for all to see (or to believe that is what is seen).

The prestige comes when it all gets really tense and people are holding their breath and then... the audience is dazzled by the act itself: the bird is turned back into that person again! In other words, the trick is actually reversed. Now, that's got to be a lot harder to accomplish than a trick that simply ends with the second stage: the turn. Don't you agree?

OK, now imagine that the magician or master illusionist is a central banker. Imagine that the pledge of turning gold into paper is made by the magician and that this is accomplished for all there to see and/or believe that it has. But then, that magician amazes everyone by turning paper back into gold! Impossible, you say? Maybe not...

Consider this:

The Pledge: the Federal Reserve Act was passed in 1913, which declared that the newly established central bank now had the power to issue Federal Reserve Notes (also known as US dollars) to replace the paper certificates previously issued by the US Treasury and redeemable by the citizenry on demand at pre set weights of silver (also known as silver dollars).

The Turn: the Federal Reserve Notes (FRNs) were issued, initially with silver certificates still circulating as well, then gradually, over the course of the following sixty or so years, removing the right of bearers of these Notes to redeem them for pre set weights of silver or gold.

The Prestige: this would involve the Federal Reserve and US Treasury making the US dollars redeemable again in pre set weights of gold and/or silver on demand and as of right of bearers.

Another way of looking at this is to imagine that 'the turn' was not so much the initial transformation of the US currency from being a redeemable currency to a fiat only currency for the citizenry, which happened in the 1930s, but to consider it to have been the great trick that was foisted not just on Americans but on the whole world and quite unexpectedly in 1971 by... Tricky Dick himself: US President Nixon.

What was the big trick? He unilaterally removed the link between the US dollar and gold, which was the anchor of the global monetary system of the post WW II era until then. The US dollar, under the Bretton Woods Agreement, was defined as 1/35th of an ounce of fine gold. That was the unit of measure or unit of account. It was not that the 'price' of gold was set at US\$35 an ounce, but the other way around.

It should be remembered at this point that when President Nixon took that decision and announced it, he said that this was a 'temporary measure': *"I have directed Secretary Connolly to suspend temporarily the convertibility of the dollar into gold..."* Now, we all know that this is still the case. So we are effectively still in that 'temporary' period. Sure, forty years (nearly 41 now) is a long temporary period, you might say. It is. So long, in fact, that there are very few who know about this fact today.

What if, in order to reinstate confidence in the US dollar (or any other currency for that matter), it was to be announced one of these days that its value was from then on to be determined in gold weight and again made redeemable on demand for that value? Farfetched scenario, you think? Maybe and maybe not. Let's see...

The official gold reserves of the US are still the same as they were in the 1970s and still the highest of any country in the world... As for the Euro, which many are already pronouncing dead or near so, know that the Eurozone countries have even more official gold reserves than the US! Know also that countries like China, Russia and many more have recently been and continue to

add (despite what are claimed by many to be high or near 'bubble' prices...) to their gold reserves.

Something is up, that's for sure! Is it a reset of what's known as money? Who knows? But what is true is that we have been living an experiment for the past forty years: for the first time in human history, no currency in the world is redeemable in gold. How much longer can the world live without real money? Well, we are about to find out, dear reader. According to [John Butler](#):

"In what might be the most underreported financial story of the year, US banking regulators recently circulated a memorandum for comment, including proposed adjustments to current regulatory capital risk-weightings for various assets. For the first time, unencumbered gold bullion is to be classified as zero risk, in line with dollar cash, US Treasuries and other explicitly government-guaranteed assets. If implemented, this will be an important step in the re-monetisation of gold and, other factors equal, should be strongly supportive of the gold price, both outright and relative to that for government bonds, the primary beneficiaries of the most recent flight to safety."

He is the author of a recent book, [The Golden Revolution](#), which explains how to prepare for the coming global gold standard. He recently made the case that a key reason why gold has not been acting like a safe-haven asset in recent months is because banks are so capital impaired that they are scrambling to reduce their holdings of 'risky' assets in favour of so-called 'zero-risk-weighted' assets, against which they need not set aside any regulatory capital.

As it stands, you see, banking regulations put gold at a 50% risk-weighting (!) for bank capital. On the other hand, some government bonds, including US Treasuries, German Bunds and British gilts, are considered zero-risk-weighted. BUT, on the 4th of June, the Federal Reserve, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency collectively circulated a memo asking for comment on their proposal for a "zero risk weight to be applied to gold bullion held in the banking organization's own vaults..."

Given the critical importance of this, I am not surprised that it has not been widely reported in the financial press, alternative or even mainstream. This is due in part to the fact that, at this point, the re-classification of gold as a zero-risk-weighted asset has only been proposed and is not yet implemented (the change is not due to take effect until 1st January 2013). But this is also due in part, in my humble opinion, to give countries and the banking system time to get their ready for the big event to come: that Prestige of turning paper back into gold (by making it redeemable again)!

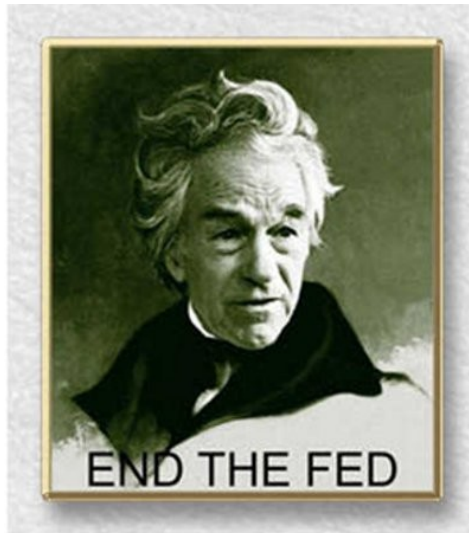
Boy oh boy, 2012 is shaping up to be quite a year! Let's not forget the US Presidential election...

[Think It's Going to Be Obama vs. Romney?](#)

Think again...!

Ron Paul's [speech](#) on the 7th of June at the Texas Republican State Convention, with an introduction from Donald Huffines, shows beyond any doubt that he is NOT YET OUT of the race for the coming 2012 US Presidential Election. If nothing else, it demonstrates that more and more Americans are awakening to his message of Liberty, Peace and Prosperity!

Modern-day Andrew Jackson



Source of image: [Unfiltered News from the Reality Zone.](#)

"We ought to be discussing an intelligent move to a sound currency by which i mean a currency that is based on a standard and not at the whim and the discretion of a bunch of mandarins sitting around Washington D.C."

- Jim Grant

American writer and publisher; founder and editor of [Grant's Interest Rate Observer](#)
Above quote taken from a [must watch interview](#) on CNBC with Jim Grant on 7 March 2012

Your freethinking investment strategist, thanking you for reading and wishing you the courage to hoard gold and silver bullion as part of your asset allocation strategy

Louis Boulanger
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I am not a disinterested party. I personally own gold and silver bullion. My company, LB Now Ltd, also became in late February 2009 an authorised bullion dealer for BMG BullionBarsTM. One of my objectives in writing articles such as this is to interest investors in the subject of sound money and the need for profound monetary reform, to the point where you may be encouraged to conduct your own further diligent research on these important matters. Neither the information nor the opinions expressed herein should be construed as a solicitation to buy or sell any security, currency or commodity. Investors are recommended to obtain the advice of a qualified investment advisor before entering into any transactions. I have neither been paid nor received any other inducement to write this article.

If you wish to purchase bullion, please read this and, for more information, please fill out the form below.

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